

The State Controller's Office updated the majority of the below employee salaries to reflect the July 1, 2006 general salary increase in time for their September 2006 payroll period (i.e., the regular pay most employees receive at the end of the September 2006 pay period).

- SEIU bargaining units 1, 3*, 4, 11, 14, 15, 17, 20 and 21
- IUOE bargaining units 12 and 13
- UAPD bargaining unit 16
- AFSCME bargaining unit 19
- Confidential employees including those with E97 collective bargaining identifies affiliated with the above bargaining units
- Managerial/supervisory designated employees in classes affiliated with bargaining units 1, 3, 4, 7, 10-21
- Supervisory designated employees in specified bargaining unit 8 classes
- Employees in certain excluded seasonal classes and certain classes excluded from collective bargaining

* Except for teachers at the Department of Corrections & Rehabilitation Division of Juvenile Justice schools.

Also, the additional salary adjustment authorized for specified excluded classifications to maintain a 5% differential above the corresponding rank and file classes should be reflected in the September 2006 payroll period as well.

The pay adjustments retroactive to July 1, 2006 are expected to be issued beginning October 2, 2006. In addition, the \$1000 one-time bonus that the majority of the employees are to receive should be issued beginning October 2, 2006. Many employees will receive one payment covering both the retroactive pay and bonus pay. Employees whose salary was not updated in time for their September 2006 pay should receive a separate adjustment for that pay period. The September 2006 adjustment pay may be issued at the same time as the retroactive adjustment and bonus payments. Employees on direct deposit could have their adjustment and bonus payments reflected in their accounts as early as September 29, 2006 through October 2, 2006 depending upon an employee's financial institution.

The retroactive adjustment and the one-time bonus payments are subject to taxes. The following taxes could be withheld from your payment depending upon your tax status:

- Federal income tax
- State income tax
- Social security tax
- Medicare tax
- State disability insurance tax.

Retirement contributions may be withheld from the retroactive adjustment pay based on your retirement status. However, the bonus pay is not subject to any retirement withholdings.

Based on the terms and conditions agreed to by the bargaining unit representatives or as determined by the Department of Personnel Administration (DPA) for managers, supervisors and other excluded employees, some employees may not be entitled to the bonus pay. For the bonus pay eligibility criteria, refer to the Bonus Pay Differential Number 328 contained in the California State Civil Service Pay Scales. The Pay Scales can be accessed through the Job & Salary Info web page located on the DPA website at www.dpa.ca.gov. Once at the Pay Scales table of contents, see Section 14 for the pay differentials. To go directly to the section, click on the following address: http://www.dpa.ca.gov/jobinfo/pay_scales/section_14/PayDiffsByNumber.cfm.

Your patience and cooperation is requested if you have not received your salary increase and/or bonus pay during the first week of October 2006. The State Controller's Office and your department's human resources office are making every attempt to update employee salaries and issue the retroactive adjustment and bonus payments in a timely manner. Please wait until after October 15, 2006 to contact your human resources office if you have not received your pay increase/bonus pay by then.

NOTE: Employees affiliated with bargaining units 2, 5, 6 and 9 previously received their salary increase. The respective members and Legislature now have ratified the contracts for bargaining units 7, 10 and 18. The State Controller's Office will soon be updating the salaries of the rank and file employees in the units. The contract for bargaining unit 8 is pending member ratification and employees will receive their pay increase once member ratification is completed and the appropriate authorization is provided.